



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

SEP 29 2014

REPLY TO THE ATTENTION OF:

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Phil Huffman, Plant Manager  
The Andersons Clymers Ethanol, LLC  
3389 West County Road 300 South  
Logansport, Indiana 46947

Re: Notice and Finding of Violation  
**The Andersons Clymers Ethanol, LLC**  
Logansport, Indiana

Dear Mr. Huffman:

The U.S. Environmental Protection Agency is issuing the enclosed Notice and Finding of Violation (NOV/FOV) to The Andersons Clymers Ethanol, LLC (The Andersons) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). We find that you are violating the Indiana State Implementation Plan and your Title V permit at your Logansport, Indiana facility.

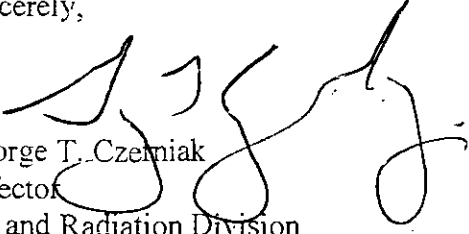
Section 113 of the Clean Air Act, 42 U.S.C. § 7413(a), gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the NOV/FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the NOV/FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference.

The EPA contact in this matter is Manoj P. Patel. You may call him at (312) 353-3565 to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,



George T. Czerniak  
Director  
Air and Radiation Division

Enclosure

cc: Phil Perry, Branch Chief  
Office of Air Quality/Compliance & Enforcement Branch  
Indiana Department of Environmental Management  
100 North Senate Avenue  
Indianapolis, Indiana 46204

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

**IN THE MATTER OF:**

**The Andersons Clymers Ethanol, LLC  
Logansport, Indiana**

Proceedings Pursuant to  
the Clean Air Act  
42 U.S.C. §§ 7401 et seq.

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)  
) **NOTICE OF VIOLATION and  
FINDING OF VIOLATION**  
)

) **EPA-5-14-IN-08**  
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**NOTICE AND FINDING OF VIOLATION**

The U.S. Environmental Protection Agency (EPA) is issuing this Notice of Violation and Finding of Violation (NOV/FOV or Notice) under Section 113(a) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(a). The authority to issue this NOV/FOV has been delegated to the Regional Administrator of EPA Region 5 and redelegated to the Director, Air and Radiation Division. EPA finds that The Andersons Clymers Ethanol, LLC (Andersons Clymers) has violated the Indiana State Implementation Plan (SIP) and its Title V permit, as follows:

**Statutory and Regulatory Background**

1. The CAA is designed to protect and enhance the quality of the nation's air so as to promote the public health and welfare and the productive capacity of its population. *See* Section 101(b)(1) of the CAA, 42 U.S.C. § 7401(b)(1).

**Federally Enforceable State Operating Permits**

2. On June 28, 1989, 54 Fed. Reg. 27274, EPA issued guidance on federally enforceable state operating permits (FESOP) establishing federally enforceable limits.
3. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to the Administrator of EPA (Administrator) a plan which provides for the implementation, maintenance and enforcement of all national primary or secondary standards established pursuant to Section 109 of the CAA, 42 U.S.C. § 7409. These SIPs are required to include enforceable emission limitations, control measures, schedules for compliance, and permit programs for new sources.
4. On October 25, 1994, the Indiana Department of Environmental Management (IDEM) submitted to EPA proposed revisions to the Indiana SIP to establish a FESOP program (set forth at Ind. Admin. Code tit. 326, r. 2-8).

5. On August 18, 1995, 60 Fed. Reg. 43008, EPA approved the Indiana FESOP program, Ind. Admin. Code tit. 326, r. 2-1-3.2 and Indiana's Enhanced NSR regulation, Ind. Admin. Code tit. 326, r. 2-8-4, as part of the federally enforceable Indiana SIP, effective October 17, 1995. *See* 40 C.F.R. § 52.770 (c)(97)-(98).
6. Ind. Admin. Code tit. 326, r. 2-8-4(1) requires that all FESOP permits contain emission limitations and standards assuring compliance with all applicable requirements in effect at the time of the FESOP issuance.
7. Ind. Admin. Code tit. 326, r. 2-8-4(5) states that the permittee must comply with all conditions of the FESOP. Noncompliance with any provisions of the FESOP is a grounds for an enforcement action; FESOP termination, revocation and reissuance, or modification; or for denial of a FESOP renewable application.

#### **Title V Operating Permits**

8. Section 502(d)(1) of the CAA, 42 U.S.C. § 7661a(d)(1), requires each state to develop and submit to EPA an operating permit program (Title V Permit Program). On December 4, 2001, 66 Fed. Reg. 62969, EPA granted Indiana final approval of its Title V Permit Program, effective November 30, 2001.
9. Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), and 40 C.F.R. § 70.7(b), provide that, after the effective date of any permit program approved or promulgated under Title V of the CAA, no source subject to Title V may operate except in compliance with a Title V permit.
10. 40 C.F.R. § 70.3 provides that the requirements of Part 70 apply to any major source located in a state that has received whole or partial approval of its Title V program.
11. On February 20, 2008, 73 Fed. Reg. 9201-9203, EPA approved 326 IAC 8-5-6, fuel grade ethanol production at dry mills, to its volatile organic compounds (VOC) rules as a revision to the Indiana SIP at 40 C.F.R. § 52.770(c)(182).
12. On November 27, 2012, IDEM issued Title V Operating Permit No. T017-31371-00023 to Andersons Clymers. IDEM approved a significant permit modification to the Title V permit on February 8 and 27, 2013, and renumbered Title V Operating Permit as No. T017-32589-00023. Prior to November 27, 2012, the facility operated using the FESOP Permit #F017-29265-00023 issued on December 8, 2010.
13. Part D.1.1 of the Title V permit limits particulate matter less than 10 microns (PM<sub>10</sub>) emissions to 1.0 lb/hour from baghouse #1 which controls emissions from the grain elevator receiving EP-1, EP-2, and EP-4.
14. Part D.1.1 of the Title V permit limits particulate matter less than 2.50 microns (PM<sub>2.5</sub>) emissions to 1.0 lb/hour from baghouse #1 which controls emissions from the grain elevator receiving EP-1, EP-2, and EP-4.

15. Part D.1.1 of the Title V permit limits particulate matter less than 10 microns (PM<sub>10</sub>) emissions to 0.86 lb/hour from baghouse #2 which controls emissions from the grain elevator and grain transfer to Day Bin EP-20A, EP-5, EP-7, EP-8A, and EP-8B.
16. Part D.1.1 of the Title V permit limits particulate matter less than 2.50 microns (PM<sub>2.5</sub>) emissions to 0.86 lb/hour from baghouse #2 which controls emissions from the grain elevator and grain transfer to Day Bin EP-20A, EP-5, EP-7, EP-8A, and EP-8B.
17. Part D.2.1 of the Title V permit limits VOC emissions to 9.42 lbs/hour from wet scrubber S-40 which controls emissions from the fermenters EP-40 through EP-46, and two liquefaction tanks EP-47 and EP-48.
18. Part D.2.2(a) of the Title V permit limits acetaldehyde emissions to 1.05 lbs/hour from wet scrubber S-40 which controls emissions from the fermenters EP-40 through EP-46, and two liquefaction tanks EP-47 and EP-48.
19. Part D.2.2(b) of the Title V permit limits total hazardous air pollutants (HAP) emissions to 1.20 lbs/hour from wet scrubber S-40 which controls emissions from the fermenters EP-40 through EP-46, and two liquefaction tanks EP-47 and EP-48.
20. Part B.24 of the Title V permit and 40 C.F.R. § 52.12, provide that, for the purpose of establishing whether or not a person has violated or is in violation of any provision or condition of a permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test procedures or methods had been performed.
21. Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3), authorizes the Administrator to initiate an enforcement action whenever, among other things, the Administrator finds that any person has violated or is in violation of a requirement or prohibition of Title V of the CAA, or any rule promulgated, issued or approved under Title V of the CAA.

### **Factual Background**

22. Andersons Clymers owns and operates a fuel grade ethanol production dry mill facility at 3389 West County Road 300 South, Logansport, Indiana (the facility).
23. The facility includes: one (1) fermentation process containing seven (7) fermenters, identified as EP 40 through EP 46, with emissions controlled by wet scrubber S-40; two (2) liquefaction tanks, identified as EP-47 and EP-48; two (2) yeast tanks, identified as EP-49A and EP-49B; one (1) grain elevator receiving process containing unit identification EP-1, EP-2, and EP-4, with emissions controlled by baghouse #1; and one (1) grain elevator internal handling and grain transfer to Day Bin process containing unit identification EP-20A, EP-5, EP-7, EP-8A, and EP-8B, with emissions controlled by baghouse #2.

24. On August 16, 2013, EPA issued a Request for Information to Andersons Clymers under Section 114 of the CAA, 42 U.S.C. § 7414.
25. On September 27, 2013, Andersons Clymers responded to EPA's Request for Information.
26. From November 4 thru 10, 2011, Andersons Clymers performed several stack tests on wet scrubber S-40.
27. From June 4 through 5, 2012, Andersons Clymers performed several stack tests on wet scrubber S-40.
28. From May 7 through May 16, 2013, Andersons Clymers performed several stack tests on baghouse #1 and baghouse #2.
29. The November 4, 2011, stack test results show that the facility emitted 2.30 lbs acetaldehyde/hr and total HAP emissions/hr from wet scrubber S-40.
30. The November 9, 2011, stack test results show that the facility emitted 1.37 lbs acetaldehyde/hr and total HAP emissions/hr from wet scrubber S-40.
31. The November 9 to November 10, 2011, stack test results show that the facility emitted 1.36 lbs acetaldehyde/hr and total HAP emissions/hr from wet scrubber S-40.
32. The November 10, 2011, stack test results show that the facility emitted 1.12 lbs acetaldehyde/hr from wet scrubber S-40.
33. The June 4, 2012, stack test results show that the facility emitted 3.41 lbs acetaldehyde/hr and total HAP emissions/hr from wet scrubber S-40.
34. The June 4, 2012, stack test results show that the facility emitted 12.53 lbs/hour VOC from wet scrubber S-40.
35. The June 4 to June 5, 2012, stack tests show that the facility emitted 2.26 lbs acetaldehyde/hr and total HAP emissions/hr from wet scrubber S-40.
36. The June 5, 2012, stack test results show that the facility emitted 1.10 lbs acetaldehyde/hr from wet scrubber S-40.
37. The May 14, 2013, stack test results show that the facility emitted 1.50 lbs/hour of both PM<sub>10</sub> and PM<sub>2.50</sub> from baghouse #2.
38. The May 15, 2013, stack test results show that the facility emitted 1.50 lbs/hour of both PM<sub>10</sub> and PM<sub>2.50</sub> from baghouse #1.

## **Violations**

39. The November, 2011, stack test results demonstrate that at wet scrubber S-40, the facility emitted acetaldehyde in excess of the permitted limit of 1.05 lbs/hr, as required by 326 IAC 2-8-4 and Title V Permit No. 017-32589-00023, Emission Limit D.2.1(a), which constitutes a violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).
40. The June 4, 2012, stack test results demonstrate that at wet scrubber S-40, the facility emitted VOC emissions in excess of the permitted limit of 9.42 lbs/hr, as required by 326 IAC 2-8-4 and Title V Permit No. 017-32589-00023, Emission Limit D.2.1(a), which constitutes a violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).
41. The June 2012, stack tests results demonstrate that at wet scrubber S-40, the facility emitted acetaldehyde in excess of the permitted limit of 1.05 lbs/hr, as required by 326 IAC and Title V Permit No. 017-32589-00023, Emission Limit D.2.1(a), which constitutes violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).
42. The November 2011, and June 2012, stack tests results demonstrate that at wet scrubber S-40, the facility emitted total HAP emissions in excess of the permitted limit of 1.20 lbs/hr, as required by 326 IAC 2-8-4 and Title V Permit No. 017-32589-00023, Emission Limit D.2.1(a), which constitutes a violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).
43. The May 14, 2013, stack test results demonstrate that at baghouse #2, the facility emitted PM<sub>10</sub> and PM<sub>2.5</sub> in excess of 0.86 lb/hr, as required by Title V Permit No. 017-32589-00023, Emission Limit D.1.1(a), which constitutes a violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).
44. The May 15, 2013, stack test results demonstrate that at baghouse #1, the facility emitted PM<sub>10</sub> and PM<sub>2.5</sub> in excess of 1.00 lb/hr, as required by Title V Permit No. 017-32589-00023, Emission Limit D.1.1(a), which constitutes a violation of the Indiana SIP, Sections 110 and 502(a) of the CAA, 42 U.S.C. §§ 7410, 7661a(a), and 40 C.F.R. § 70.7(b).

## **Environmental Impact of Violations**

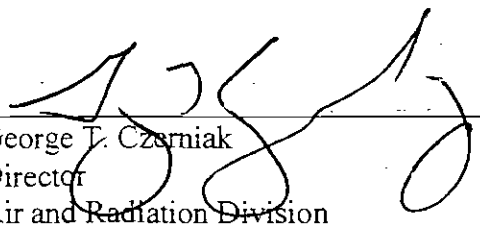
45. VOC pollution causes a variety of health and environmental impacts, such as acid rain, global warming, water quality deterioration, and visual impairment. VOC plays a major role in the atmospheric reactions that produce ozone. Breathing ozone contributes to a variety of health problems including chest pain, coughing, throat irritation, and congestion. It can worsen bronchitis, emphysema, and asthma. Ground level ozone also

can reduce lung function and inflame lung tissue. Repeated exposure may permanently scar lung tissue.

46. The effects of inhaling particulate matter have been widely studied in humans and animals and include asthma, lung cancer, cardiovascular issues, and premature death. Particulate matter smaller than 10 micrometers, referred to as PM<sub>10</sub>, can settle in the bronchi and lungs and cause health problems.
47. The primary acute effect of inhalation exposure to acetaldehyde is irritation of the eyes, skin, and respiratory tract in humans. At higher exposure levels, erythema, coughing, pulmonary edema, and necrosis may also occur.

Date

9/29/14

  
George T. Czarniak  
Director  
Air and Radiation Division



## CERTIFICATE OF MAILING

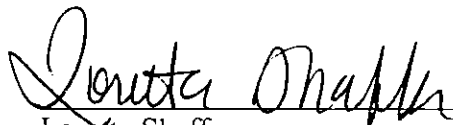
I, Loretta Shaffer, certify that I sent a Notice and Finding of Violation, No. EPA-5-14-IN-08, by Certified Mail, Return Receipt Requested, to:

Phil Huffman, Plant Manager  
The Andersons Clymers Ethanol, LLC  
3389 West County Road 300 South  
Logansport, Indiana 46947

I also certify that I sent copies of the Notice of Violation and Finding of Violation by first-class mail to:

Phil Perry, Chief  
Compliance and Enforcement Branch  
Office of Air Quality  
Indiana Department of Environmental Management  
100 North Senate Avenue, Room IGCN 1003  
Indianapolis, Indiana 46206-6015

On the 1 day of October 2014.



Loretta Shaffer  
Program Technician  
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 70091680 0000 7672 9154